

REORGANIZATION PLAN FOR THE DEPARTMENT OF
HOMELAND SECURITY

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REORGANIZATION PLAN FOR THE DEPARTMENT OF HOMELAND
SECURITY



JANUARY 7, 2003.—Referred to the Committee on Homeland Security and
ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

THE WHITE HOUSE,
Washington, November 25, 2002.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 1502 of the Homeland Security Act of 2002, I submit herewith the enclosed Reorganization Plan for the Department of Homeland Security. The Reorganization Plan provides information concerning the elements identified in section 1502(b), and is subject to modification pursuant to section 1502(d) of the Act. In accordance with section 1502(a) of the Act, please transmit this Reorganization Plan to the appropriate congressional committees.

The details of this Plan are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

GEORGE W. BUSH.

Enclosure.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, November 24, 2002.

The PRESIDENT,
The White House.

Submitted for your consideration is a Reorganization Plan for the Department of Homeland Security. Section 1502 of the Department of Homeland Security Act of 2002 requires you to submit, not later than 60 days after enactment, a reorganization plan concerning (1) the transfer of agencies, personnel, assets, and obligations to the Department, and (2) any consolidation, reorganization, or streamlining of agencies transferred to the Department.

The Plan is subject to modification pursuant to Section 1502(d) of the Act, which provides that on the basis of consultations with appropriate congressional committees you may modify or revise any part of the Plan until that part of the Plan becomes effective.

As described below and in more detail in the enclosure, the Plan provides available information concerning six element set out in the statute:

(1) Identification of any functions of agencies transferred to the Department pursuant to the Act that will not be transferred to the Department under the plan.

(2) Specification of the steps to be taken by the Secretary to organize the Department, including the delegation or assignment of functions transferred to the Department among officers of the Department in order to permit the Department to carry out the functions transferred under the plan.

(3) Specification of the funds available to each agency that will be transferred to the Department as a result of transfers under the plan.

(4) Specification of the proposed allocations within the Department of unexpended funds transferred in connection with transfers under the plan.

(5) Specification of any proposed disposition of property, facilities, contracts, records, and other assets and obligations of agencies transferred under the plan.

(6) Specification of the proposed allocations within the Department of the functions of the agencies and subdivisions that are not related directly to securing the homeland.

The Plan sets forth an aggressive and ambitious schedule for transferring agencies and programs to the new Department of Homeland Security, with nearly all affected agencies and programs moving to the Department on March 1, 2003. Additional details concerning the process for transferring these agencies into the Department will become available in the coming weeks and months, and, as Congress expressly recognized, the initial plan will be subject to modification to include such details. Transmittal of the Reor-

ganization Plan now will avoid bureaucratic inertia that would prevent us from fulfilling our mission and well serves your imperative to establish a fully-functioning Department of Homeland Security at the earliest possible date to protect our Nation and our future.
Sincerely,

MITCHELL E. DANIELS, Jr., *Director*.

DEPARTMENT OF HOMELAND SECURITY
REORGANIZATION PLAN
November 25, 2002

Introduction

This Reorganization Plan is submitted pursuant to Section 1502 of the Department of Homeland Security Act of 2002 ("the Act"), which requires submission, not later than 60 days after enactment, of a reorganization plan regarding two categories of information concerning plans for the Department of Homeland Security ("the Department" or "DHS"):

- (1) The transfer of agencies, personnel, assets, and obligations to the Department pursuant to this Act.
- (2) Any consolidation, reorganization, or streamlining of agencies transferred to the Department pursuant to this Act. Section 1502(a).

Section 1502(b) of the Act identifies six elements, together with other elements "as the President deems appropriate," as among those for discussion in the plan. Each of the elements set out in the statute is identified *verbatim* below, followed by a discussion of current plans with respect to that element.

This plan is subject to modification pursuant to Section 1502(d) of the Act, which provides that on the basis of consultations with appropriate congressional committees the President may modify or revise any part of the plan until that part of the plan becomes effective. Additional details concerning the process for establishing the Department will become available in the coming weeks and months, and the President will work closely with Congress to modify this plan consistent with the Act.

Plan Elements

- (1) **Identification of any functions of agencies transferred to the Department pursuant to this Act that will not be transferred to the Department under the plan.**

Except as otherwise directed in the Act, all functions of agencies that are to be transferred to the Department pursuant to the Act will be transferred to the Department under the plan. The functions of agencies being transferred to the Department which the Act directs are not to be transferred are the following:

- Pursuant to Section 201(g)(1) of the Act, the Computer Investigations and Operations Section ("CIOS") of the National Infrastructure Protection Center ("NIPC") of the Federal Bureau of Investigation ("FBI") will not transfer to the Department with the

rest of NIPC. CIOS is the FBI headquarters entity responsible for managing all FBI computer intrusion field office cases (whether law enforcement or national security related).

- Pursuant to Sections 421(c) & (d) of the Act, the regulatory responsibilities and quarantine activities relating to agricultural import and entry inspection activities of the United States Department of Agriculture (“the USDA”) Animal and Plant Health Inspection Service (“APHIS”) will remain with the USDA, as will the Secretary of Agriculture’s authority to issue regulations, policies, and procedures regarding the functions transferred pursuant to Sections 421(a) & (b) of the Act.
- Pursuant to Subtitle B of Title IV of the Act, the authorities of the Secretary of the Treasury related to Customs revenue functions, as defined in the statute, will not transfer to the Department.
- Functions under the immigration laws of the United States with respect to the care of unaccompanied alien children will not transfer from the Department of Justice to DHS, but will instead transfer to the Department of Health and Human Services pursuant to Section 462 of the Act.

(2) Specification of the steps to be taken by the Secretary to organize the Department, including the delegation or assignment of functions transferred to the Department among officers of the Department in order to permit the Department to carry out the functions transferred under the plan.

A. Steps to be taken by the Secretary to organize the Department. The President intends that the Secretary will carry out the following actions on the dates specified. All of the following transfers shall be deemed to be made to DHS, and all offices and positions to be established and all officers and officials to be appointed or named shall be deemed to be established, appointed, or named within DHS.

January 24, 2003 (effective date of the Act pursuant to Section 4):

- Establish the Office of the Secretary.
- Begin to appoint, upon confirmation by the Senate, or transfer pursuant to the transfer provisions of the Act, as many of the following officers as may be possible:
 - (1) Deputy Secretary of Homeland Security
 - (2) Under Secretary for Information Analysis and Infrastructure Protection
 - (3) Under Secretary for Science and Technology
 - (4) Under Secretary for Border and Transportation Security

- (5) Under Secretary for Emergency Preparedness and Response
- (6) Director of the Bureau of Citizenship and Immigration Services
- (7) Under Secretary for Management
- (8) Not more than 12 Assistant Secretaries
- (9) General Counsel
- (10) Inspector General
- (11) Commissioner of Customs

- Name, as soon as may be possible, officers to fill the following offices created by the Act:
 - (1) Assistant Secretary for Information Analysis
 - (2) Assistant Secretary for Infrastructure Protection
 - (3) Privacy Officer
 - (4) Director of the Secret Service
 - (5) Chief Information Officer
 - (6) Chief Human Capital Officer
 - (7) Chief Financial Officer
 - (8) Officer for Civil Rights and Civil Liberties
 - (9) Director of Shared Services
 - (10) Citizenship and Immigration Ombudsman
 - (11) Director of the Homeland Security Advanced Research Projects Agency
- Establish, within the Office of the Secretary, the Office for State and Local Government Coordination, the Office of International Affairs, and the Office of National Capital Region Coordination.
- Establish the Homeland Security Advanced Research Projects Agency and the Acceleration Fund for Research and Development of Homeland Security Technologies.
- Establish within the Directorate of Science and Technology the Office for National Laboratories.
- Establish the Bureau of Border Security, the Bureau of Citizenship and Immigration Services, and the Director of Shared Services.
- Establish the Transportation Security Oversight Board with the Secretary of Homeland Security as its Chair.

March 1, 2003:

- Transfer the Critical Infrastructure Assurance Office ("CIAO") of the Department of Commerce, the National Communications System ("the NCS"), the NIPC of the FBI (other than the CIOS), the National Infrastructure Simulation and Analysis Center ("NISAC"), the Energy

Assurance Office (“EAO”) of the Department of Energy, and the Federal Computer Incident Response Center of the General Services Administration (“FedCIRC”).

- Transfer the Coast Guard.
- Transfer the Customs Service, the Transportation Security Administration (“the TSA”), functions of the Immigration and Naturalization Service (“the INS”), the Federal Protective Service (“the FPS”), the Office of Domestic Preparedness (“the ODP”), and the Federal Law Enforcement Training Center (“the FLETC”).
- Transfer the functions of the Secretary of Agriculture relating to agricultural import and entry inspection activities under the laws specified in Section 421(b) of the Act from the Animal and Plant Health Inspection Service.
- Transfer the United States Secret Service.
- Transfer the following programs and activities to the Directorate of Science and Technology:
 - The chemical and biological national security and supporting programs and activities of the nonproliferation and verification research and development program of the Department of Energy.
 - The life sciences activities related to microbial pathogens of the Biological and Environmental Research Program of the Department of Energy.
 - The National Bio-Weapons Defense Analysis Center of the Department of Defense.
 - The nuclear smuggling programs and activities within the proliferation detection program of the nonproliferation and verification research and development program of the Department of Energy.
 - The nuclear assessment program and activities of the assessment, detection, and cooperation program of the international materials protection and cooperation program of the Department of Energy and the advanced scientific computing research program and activities at Lawrence Livermore National Laboratory of the Department of Energy.

- The Environmental Measurements Laboratory of the Department of Energy.
- Transfer the Federal Emergency Management Agency (“FEMA”).
- Transfer the Integrated Hazard Information System of the National Oceanic and Atmospheric Administration, which shall be renamed “FIRESTAT.”
- Transfer the National Domestic Preparedness Office of the FBI, including the functions of the Attorney General relating thereto.
- Transfer the Domestic Emergency Support Team of the Department of Justice, including the functions of the Attorney General relating thereto.
- Transfer the Metropolitan Medical Response System of the Department of Health and Human Services, including the functions of the Secretary of Health and Human Services and Assistant Secretary for Public Health Emergency Preparedness relating thereto.
- Transfer the National Disaster Medical System of the Department of Health and Human Services, including the functions of the Secretary of Health and Human Services and Assistant Secretary for Public Health Emergency Preparedness relating thereto.
- Transfer the Office of Emergency Preparedness and the Strategic National Stockpile of the Department of Health and Human Services, including the functions of the Secretary of Health and Human Services and Assistant Secretary for Public Health Emergency Preparedness relating thereto.
- Transfer to the Secretary the authority (in connection with an actual or threatened terrorist attack, major disaster, or other emergency in the United States) to direct the Nuclear Incident Response Team of the Department of Energy to operate as an organizational unit.

June 1, 2003:

- Transfer the Plum Island Animal Disease Center of USDA.
- Establish the Homeland Security Science and Technology Advisory Committee.

By September 30, 2003:

- Complete any incidental transfers, pursuant to Section 1516 of the Act, of personnel, assets, and liabilities held, used, arising from, available, or to be made available, in connection with the functions transferred by the Act.

B. Delegation or Assignment Among Officers of Functions Transferred to the Department. The President intends that the Secretary will delegate or assign transferred functions within the Department as follows:

1. Information Analysis and Infrastructure Protection

- a. Under Secretary for Information Analysis and Infrastructure Protection (“IA and IP”): Will be responsible for oversight of functions of NIPC, NCS, CIAO, NISAC, EAO, and FedCIRC transferred by the Act, the management of the Directorate’s Information Analysis and Infrastructure Protection duties, and the administration of the Homeland Security Advisory System.
- b. Assistant Secretary for Information Analysis: Will oversee the following Information Analysis functions:
 - Identify and assess the nature and scope of terrorist threats to the homeland; detect and identify threats of terrorism against the United States; and, understand such threats in light of actual and potential vulnerabilities of the homeland.
 - In coordination with the Assistant Secretary for Infrastructure Protection, integrate relevant information, analyses, and vulnerability assessments (whether such information, analyses, or assessments are provided or produced by the Department or others) in order to identify priorities for protective and support measures by the Department, other agencies of the Federal Government, State and local government agencies and authorities, the private sector, and other entities.
 - Ensure the timely and efficient access by the Department to all information necessary to discharge the responsibilities under Section 201 of the Act, including obtaining such information from other agencies of the Federal Government.
 - Review, analyze, and make recommendations for improvements in the policies and procedures governing the sharing of law enforcement information, intelligence information, intelligence-related information, and other information relating to homeland security within the Federal

Government and between the Federal Government and State and local government agencies and authorities.

- Disseminate, as appropriate, information analyzed by the Department within the Department, to other agencies of the Federal Government with responsibilities relating to homeland security, and to agencies of State and local governments and private sector entities with such responsibilities in order to assist in the deterrence, prevention, preemption of, or response to, terrorist attacks against the United States.
- Consult with the Director of Central Intelligence and other appropriate intelligence, law enforcement, or other elements of the Federal Government to establish collection priorities and strategies for information, including law enforcement-related information, relating to threats of terrorism against the United States through such means as the representation of the Department in discussions regarding requirements and priorities in the collection of such information.
- Consult with State and local governments and private sector entities to ensure appropriate exchanges of information, including law enforcement-related information, relating to threats of terrorism against the United States.
- Ensure that—
 1. Any material received pursuant to the Act is protected from unauthorized disclosure and handled and used only for the performance of official duties; and
 2. Any intelligence information under the Act is shared, retained, and disseminated consistent with the authority of the Director of Central Intelligence to protect intelligence sources and methods under the National Security Act of 1947 (50 U.S.C. Section 401, et seq.) and related procedures and, as appropriate, similar authorities of the Attorney General concerning sensitive law enforcement information.
- Request additional information from other agencies of the Federal Government, State and local government agencies, and the private sector relating to threats of terrorism in the United States, or relating to other areas of responsibility assigned by the Secretary, including the entry into cooperative agreements through the Secretary to obtain such information.

- Establish and utilize, in conjunction with the Chief Information Officer of the Department, a secure communications and information technology infrastructure, including data-mining and other advanced analytical tools, in order to access, receive, and analyze data and information in furtherance of statutory responsibilities, and to disseminate information acquired and analyzed by the Department, as appropriate.
 - Ensure, in conjunction with the Chief Information Officer of the Department, that any information databases and analytical tools developed or utilized by the Department—
 1. Are compatible with one another and with relevant information databases of other agencies of the Federal Government; and
 2. Treat information in such databases in a manner that complies with applicable Federal law on privacy.
 - Coordinate training and other support to the elements and personnel of the Department, other agencies of the Federal Government, and State and local governments that provide information to the Department, or are consumers of information provided by the Department, in order to facilitate the identification and sharing of information revealed in their ordinary duties and the optimal utilization of information received from the Department.
 - Coordinate with elements of the intelligence community and with Federal, State, and local law enforcement agencies, and the private sector, as appropriate.
 - Provide intelligence and information analysis and support to other elements of the Department.
- c. Assistant Secretary for Infrastructure Protection: Will oversee the following Infrastructure Protection functions:
- Carry out comprehensive assessments of the vulnerabilities of the key resources and critical infrastructure of the United States, including the performance of risk assessments to determine the risks posed by particular types of terrorist attacks within the United States (including an assessment of the probability of success of such attacks and the feasibility and potential efficacy of various countermeasures to such attacks).

- In coordination with the Assistant Secretary for Information Analysis, integrate relevant information, analyses, and vulnerability assessments (whether such information, analyses, or assessments are provided or produced by the Department or others) in order to identify priorities for protective and support measures by the Department, other agencies of the Federal Government, State and local government agencies and authorities, the private sector, and other entities.
- Develop a comprehensive national plan for securing the key resources and critical infrastructure of the United States, including power production, generation, and distribution systems, information technology and telecommunications systems (including satellites), electronic financial and property record storage and transmission systems, emergency preparedness communications systems, and the physical and technological assets that support such systems.
- Recommend measures necessary to protect the key resources and critical infrastructure of the United States in coordination with other agencies of the Federal Government and in cooperation with State and local government agencies and authorities, the private sector, and other entities.
- In coordination with the Under Secretary for Emergency Preparedness and Response, provide to State and local government entities, and upon request to private entities that own or operate critical information systems, crisis management support in response to threats to, or attacks on, critical information systems.
- Provide technical assistance, upon request, to the private sector and other government entities, in coordination with the Under Secretary for Emergency Preparedness and Response, with respect to emergency recovery plans to respond to major failures of critical information systems.
- Coordinate with other agencies of the Federal Government to provide specific warning information, and advice about appropriate protective measures and countermeasures, to State and local government agencies and authorities, the private sector, other entities, and the public.

2. Science and Technology

Under Secretary for Science and Technology: Will be responsible for performing the functions set forth in Section 302 of the Act, including the following:

- Advise the Secretary regarding research and development efforts and priorities in support of the Department's missions.
- Develop, in consultation with other appropriate executive agencies, a national policy and strategic plan for identifying priorities, goals, objectives, and policies for, and coordinating the Federal Government's civilian efforts with respect to, identifying and developing countermeasures to chemical, biological, radiological, nuclear, and other emerging terrorist threats, including the development of comprehensive, research-based definable goals for such efforts and of annual measurable objectives and specific targets to accomplish and evaluate the goals for such efforts.
- Support the Under Secretary for Information Analysis and Infrastructure Protection by assessing and testing homeland security vulnerabilities and possible threats.
- Conduct basic and applied research, development, demonstration, testing, and evaluation activities that are relevant to any or all elements of the Department, through both intramural and extramural programs, except that such responsibility does not extend to human health-related research and development activities.
- Establish priorities for directing, funding, and conducting national research, development, test and evaluation, and procurement of technology and systems for—
 1. preventing the importation of chemical, biological, radiological, nuclear, and related weapons and material; and
 2. detecting, preventing, protecting against, and responding to terrorist attacks.
- Establish a system for transferring homeland security developments or technologies to Federal, State, and local governments, and to private sector entities.

- Enter into work agreements, joint sponsorships, contracts, or any other agreements with the Department of Energy regarding the use of the national laboratories or sites and support of the science and technology base at those facilities.
- Collaborate with the Secretary of Agriculture and the Attorney General as provided in Section 212 of the Agricultural Bioterrorism Protection Act of 2002 (7 U.S.C. § 8401), as amended by Section 1709(b) of the Act.
- Collaborate with the Secretary of Health and Human Services and the Attorney General in determining any new biological agents and toxins that shall be listed as 'select agents' in Appendix A of part 72 of title 42, Code of Federal Regulations, pursuant to Section 351A of the Public Health Service Act (42 U.S.C. § 262a).
- Support United States leadership in science and technology.
- Establish and administer the primary research and development activities of the Department, including the long-term research and development needs and capabilities for all elements of the Department.
- Coordinate and integrate all research, development, demonstration, testing, and evaluation activities of the Department.
- Coordinate with other appropriate executive agencies in developing and carrying out the science and technology agenda of the Department to reduce duplication and identify unmet needs.
- Develop and oversee the administration of guidelines for merit review of research and development projects throughout the Department, and for the dissemination of research conducted or sponsored by the Department.

3. Border and Transportation Security

The Directorate of Border and Transportation Security ("BTS") will include the following: the Bureau of Border Security; the Office for Domestic Preparedness; the Customs Service; the Transportation Security Administration; FLETC; and FPS.

The BTS Directorate will also have in place the key leaders of the new Directorate to include:

- a. Under Secretary for BTS: Will be responsible for oversight of all responsibilities set forth in Section 402 of the Act, including the following:
 - Prevent the entry of terrorists and the instruments of terrorism into the United States.
 - Secure the borders, territorial waters, ports, terminals, waterways, and air, land, and sea transportation systems of the United States, including managing and coordinating those functions transferred to the Department at ports of entry.
 - Establish and administer rules, in accordance with Section 428 of the Act, governing the granting of visas or other forms of permission, including parole, to enter the United States to individuals who are not a citizen or an alien lawfully admitted for permanent residence in the United States.
 - Establish national immigration enforcement policies and priorities.
 - Administer the customs laws of the United States, except as otherwise provided in the Act.
 - Conduct the inspection and related administrative functions of the USDA transferred to the Secretary of Homeland Security under Section 421 of the Act.
 - In carrying out the foregoing responsibilities, ensure the speedy, orderly, and efficient flow of lawful traffic and commerce.
 - Carry out the immigration enforcement functions specified under Section 441 of the Act that were vested by statute in, or performed by, the Commissioner of the INS (or any officer, employee, or component of the INS) immediately before the date on which the transfer of functions takes place.
- b. Assistant Secretary for Border Security: Will report directly to the Under Secretary for Border and Transportation Security, and whose responsibilities will include the following:

- Establish and oversee the administration of the policies for performing such functions as are--
 1. transferred to the Under Secretary for Border and Transportation Security by Section 441 of the Act and delegated to the Assistant Secretary by the Under Secretary for Border and Transportation Security; or
 2. otherwise vested in the Assistant Secretary by law.
 - Advise the Under Secretary for Border and Transportation Security with respect to any policy or operation of the Bureau of Border Security that may affect the Bureau of Citizenship and Immigration.
- c. Director of the Office for Domestic Preparedness - Will report directly to the Under Secretary for Border and Transportation Security and will have the primary responsibility within the Executive Branch of the Federal Government for the preparedness of the United States for acts of terrorism, including the following responsibilities:
- Coordinate preparedness efforts at the Federal level, and work with all State, local, tribal, parish, and private sector emergency response providers on all matters pertaining to combating terrorism, including training, exercises, and equipment support.
 - Coordinate or, as appropriate, consolidate communications and systems of communications relating to homeland security at all levels of government.
 - Direct and supervise terrorism preparedness grant programs of the Federal Government (other than those programs administered by the Department of Health and Human Services) for all emergency response providers.
 - Incorporate homeland security priorities into planning guidance on an agency level for the preparedness efforts of the Office for Domestic Preparedness.
 - Provide agency-specific training for agents and analysts within the Department, other agencies, and State and local agencies, and international entities.
 - As the lead executive branch agency for preparedness of the United States for acts of terrorism, cooperate closely with the FEMA, which shall have the primary responsibility within the

executive branch to prepare for and mitigate the effects of non-terrorist-related disasters in the United States.

- Assist and support the Secretary, in coordination with other Directorates and entities outside the Department, in conducting appropriate risk analysis and risk management activities of State, local, and tribal governments consistent with the mission and functions of the Directorate.
- Supervise those elements of the Office of National Preparedness of FEMA that relate to terrorism, which shall be consolidated within the Department in the ODP established pursuant to Section 430 of the Act.

4. Emergency Preparedness and Response

The Emergency Preparedness and Response Directorate will be headed by the Under Secretary for Emergency Preparedness and Response.

Under Secretary for EP&R: Will be responsible for all of those functions included within Section 502 of the Act, including:

- Helping to ensure the effectiveness of emergency response providers to terrorist attacks, major disasters, and other emergencies.
- With respect to the Nuclear Incident Response Team (regardless of whether it is operating as an organizational unit of the Department pursuant to the Act):
 1. Establishing standards and certifying when those standards have been met;
 2. Conducting joint and other exercises and training and evaluating performance; and,
 3. Providing funds to the Department of Energy and the Environmental Protection Agency, as appropriate, for homeland security planning, exercises and training, and equipment.
- Providing the Federal Government's response to terrorist attacks and major disasters, including:
 1. Managing such response;

2. Directing the Domestic Emergency Support Team, the Strategic National Stockpile, the National Disaster Medical System, and (when operating as an organizational unit of the Department pursuant to the Act) the Nuclear Incident Response Team;
 3. Overseeing the Metropolitan Medical Response System; and
 4. Coordinating other Federal response resources in the event of a terrorist attack or major disaster.
- Aiding the recovery from terrorist attacks and major disasters;
 - Building a comprehensive national incident management system with Federal, State, and local government personnel, agencies, and authorities, to respond to such attacks and disasters.
 - Consolidating existing Federal Government emergency response plans into a single, coordinated national response plan; and
 - Developing comprehensive programs for developing interoperative communications technology, and helping to ensure that emergency response providers acquire such technology.

5. Other Officers and Functions

- a. Director of the Bureau of Citizenship and Immigration Services: Will report directly to the Deputy Secretary; and will be responsible for the following:
 - Establishing the policies for performing such functions as are transferred to the Director by Section 451 of the Act or otherwise vested in the Director by law.
 - Oversight of the administration of such policies.
 - Advising the Deputy Secretary with respect to any policy or operation of the Bureau of Citizenship and Immigration Services that may affect the Bureau of Border Security of the

Department, including potentially conflicting policies or operations.

- Establishing national immigration services policies and priorities.
- Meeting regularly with the Ombudsman described in Section 452 of the Act to correct serious service problems identified by the Ombudsman.
- Establishing procedures requiring a formal response to any recommendations submitted in the Ombudsman's annual report to Congress within three months after its submission to Congress.

b. Citizenship and Immigration Services Ombudsman: Will report directly to the Deputy Secretary; and will be responsible for the following:

- Assisting individuals and employers in resolving problems with the Bureau of Citizenship and Immigration Services;
- Identifying areas in which individuals and employers have problems in dealing with the Bureau of Citizenship and Immigration Services; and
- Proposing changes in the administrative practices of the Bureau of Citizenship and Immigration Services to mitigate identified problems.

(3) **Specification of the funds available to each agency that will be transferred to the Department as a result of transfers under the plan.**

- The attached tables provide estimates of the funds available to the agencies and entities that will be transferred to the Department by operation of the Act. The two tables include total funding (mandatory and discretionary including fees) and discretionary funding net of fees. The tables provide the enacted levels for 2002 and 2002 supplementals, and the President's requested levels for 2003.

Because of the current state of the 2003 budget process, information concerning the funds that will be available to each transferring agency on the date of the proposed transfers is not currently available and will not likely be available during the time period in which the President is to submit this Reorganization Plan. As additional information becomes available, it will be provided as

may be required in accordance with the procedures under the Act for modification of this Plan or other applicable law.

(4) Specification of the proposed allocations within the Department of unexpended funds transferred in connection with transfers under the plan.

- The attached tables provide estimates of the unobligated balances as of September 30, 2002, for the agencies and programs that will be transferred to the Department. The first table provides estimates of unobligated balances for the accounts that are moving to the Department in whole. The second table provides estimates of the unobligated balances in the accounts of which only a portion will be transferring to the new Department. These latter estimates, however, are of the unobligated balances for the full account, only a portion of which are associated with the activities that will be transferred to the Department. In addition, these unobligated balances are based on the Department of Treasury's estimates as of September 30, 2002, which are the latest available figures. Since October 1, 2002, Departments and agencies (except the Department of Defense) have been operating under continuing resolutions, and, as such, have been spending these balances to maintain current operations.

Authority to reallocate unexpended funds of agencies transferred under this Plan is found in H.J. Res. 124, the continuing resolution in effect currently and until January 11, 2003. The resolution provides authority for the Office of Management and Budget to transfer an amount not to exceed \$140,000,000 from unobligated balances of appropriations enacted before October 1, 2002 "for organizations and entities that will be transferred to the new Department and for salaries and expenses associated with the initiation of the Department." Such authority may be exercised upon providing 15 days' notice to the Appropriations Committees. We anticipate that it may be necessary to provide funding through such transfers both for transferring entities and for salaries and expenses associated with the initiation of the Department, including, for example, those associated with establishing the Office of the Secretary and other new offices provided for in the Act. Any plan to use such funding will follow the procedures required under the continuing resolution, including the provision of at least 15 days' notice to the Appropriations Committees.

(5) Specification of any proposed disposition of property, facilities, contracts, records, and other assets and obligations of agencies transferred under the plan.

- There is no intention to dispose of property, facility, contracts, records, and other assets and obligations of agencies transferred under the plan. All of such assets and obligations will transfer with each agency pursuant to Section 1511(d)(1) of the Act.
- Prior to and during the transition period (as defined by Section 1501(a)(2) of the Act), the Department may identify property, facilities, contracts, records, and other assets and obligations of agencies transferred that would be candidates for disposition due to duplication, non-use, obsolescence, and the like. If and when any such proposed dispositions are identified, we will follow provisions of the Act relating to modification of this plan or further notification of Congress.

(6) Specification of the proposed allocations within the Department of the functions of the agencies and subdivisions that are not related directly to securing the homeland.

- As agencies and subdivisions are transferred into the Department, any functions of those entities that are not directly related to securing the homeland will continue to be allocated to the agencies and subdivisions in which they are currently incorporated.

Department of Homeland Security – Major Components – Net Discretionary Funding
(budget authority in millions of dollars)

	FY 2002 Enacted	FY 2002 Supplemental	FY 2003 Proposed
Chemical, Biological, Radiological, and Nuclear Countermeasures			
Chemical, Biological, Radiological, and Nuclear Countermeasures R&D (DOE).....	65	45	114
National BV/Defense Analysis Center (Nes).....	7	23	420
Plant Island Animal Disease Center (USDA).....	72	68	539
Information Analysis and Infrastructure Protection			
Critical Infrastructure Assurance Office (Commerce).....	5	1	27
Federal Computer Incident Response Center (GSA).....	10	---	11
National Communications System (DOD).....	51	89	155
National Infrastructure Protection Center (Excluding CIOS Ear) (FBI).....	51	---	54
National Infrastructure Simulation and Analysis Center/Energy/Assurance (DOE).....	6	---	29
	123	90	276
Border and Transportation Security			
Immigration and Naturalization Service – Enforcement (DOJ).....	3,438	512	3,966
Border-released Detention Funding (DOJ/Detention Trustee).....	---	---	615
Customs Service (Treasury).....	2,690	400	2,834
Federal Law Enforcement Training Center (Treasury).....	139	31	145
Animal and Plant Health Inspection Service (USDA).....	132	---	61
Federal Protective Services (GSA).....	278	102	411
Transportation Security Administration (DOT).....	---	2,435	3,124
Office of Domestic Preparedness (DOJ).....	251	400	---
	6,928	3,880	11,156
Emergency Preparedness and Response			
Federal Emergency Management Agency.....	2,925	7,478	6,550
Federal Response Assets, including National Pharmaceutical Stockpile.....	113	1,161	550
Nuclear Incident Response (DOE).....	---	---	---
Domestic Emergency Support Team (Airforce).....	---	---	---
National Domestic Preparedness Office (FBI).....	---	---	---
	3,038	8,639	7,100
Secret Service (Treasury).....	923	105	1,014
U.S. Coast Guard (Transportation).....	4,149	464	5,064
Immigration and Naturalization Service – Immigration Services (DOJ).....	106	37	110
Total, Department of Homeland Security*	15,339	13,283	25,199

* Excludes transfers of support functions in departmental overhead accounts, including Inspectors General.

Department of Homeland Security -- Major Components -- Total Funding
(budget authority in millions of dollars)

	FY 2002 Enacted	FY 2002 Supplemental	FY 2003 Proposed
Chemical, Biological, Radiological, and Nuclear Countermeasures			
Chemical, Biological, Radiological, and Nuclear Countermeasures R&D (DOE).....	65	45	114
National BW Defense Analysis Center (New).....	---	---	470
Plant Island Animal Disease Center (USDA).....	7	23	5
	<u>72</u>	<u>68</u>	<u>539</u>
Information Analysis and Infrastructure Protection			
Critical Infrastructure Assurance Office (Commerce).....	5	1	27
Federal Computer Incident Response Center (GSA).....	10	---	11
National Communications System (DOD).....	51	89	155
National Infrastructure Protection Center (Excluding CIGS Eff) (FBI).....	31	---	54
National Infrastructure Simulation and Analysis Center/Energy Assistance (DOE).....	6	---	29
	<u>123</u>	<u>90</u>	<u>276</u>
Border and Transportation Security			
Immigration and Naturalization Service -- Enforcement (DOJ).....	4,224	537	4,855
Border-related Detention Funding (DOD/Department Trustee).....	---	---	615
Customs Service (Treasury).....	3,268	400	3,690
Federal Law Enforcement Training Center (Treasury).....	139	31	145
Animal and Plant Health Inspection Service (USDA).....	222	---	240
Federal Protective Services (GSA).....	278	102	411
Transportation Security Administration (DOT).....	1,230	2,435	5,346
Office of Domestic Preparedness (DOJ).....	251	400	---
	<u>9,632</u>	<u>3,905</u>	<u>15,302</u>
Emergency Preparedness and Response			
Federal Emergency Management Agency.....	4,294	7,478	7,946
Federal Response Assets, including National Pharmaceutical Stockpile (HHS).....	113	1,161	550
Nuclear Incident Response (DOE).....	---	---	---
Domestic Emergency Support Team (Justice).....	---	---	---
National Domestic Preparedness Office (FBI).....	---	---	---
	<u>4,407</u>	<u>8,639</u>	<u>8,496</u>
Secret Service (Treasury).....	1,123	105	1,214
U.S. Coast Guard (Transportation).....	5,150	464	6,183
Immigration and Naturalization Service -- Immigration Services (DOD).....	1,436	37	1,454
Total, Department of Homeland Security*	<u>21,943</u>	<u>13,308</u>	<u>33,464</u>

* Excludes transfers of support functions in departmental overhead accounts, including Inspectors General.

Unobligated Balances reported to Treasury as of September 30, 2002
(Balances in millions of dollars)

	BAL
Accounts Transferring to DHS in Whole	
Department of Justice	
011-15-1217 -- INS/migration enforcement.....	300
011-15-1220 -- INS/migration services.....	129
011-15-1221 -- INS/support and administration.....	4
Department of Transportation	
021-06-2801 -- TSA/Transportation security administration.....	960
021-08-0230 -- USCG/Environmental compliance and restoration.....	1
021-08-0240 -- USCG/Acquisition, construction, and improvements.....	444
021-08-0244 -- USCG/Alteration of bridges.....	8
021-08-4535 -- USCG/Coast Guard supply fund.....	4
021-08-4743 -- USCG/Coast Guard yard fund.....	50
021-08-8149 -- USCG/Boat safety.....	12
021-08-8185 -- USCG/Oil spill liability trust fund.....	841
021-08-8349 -- USCG/Oil spill recovery.....	52
021-08-8333 -- USCG/Coast Guard general gift fund.....	1
Department of the Treasury	
015-05-0117 -- DEPT/OFF/Counterterrorism fund.....	34
015-08-0104 -- FLETG/Salaries and expenses.....	16
015-08-0105 -- FLETG/Acquisition, construction, improvements, and related expenses.....	36
015-15-0602 -- CUSTOMS/Salaries and expenses.....	996
015-15-0604 -- CUSTOMS/Operation, maintenance and procurement, air and marine interdiction programs.....	51
015-15-0608 -- CUSTOMS/Customs facilities, construction, improvements and related expenses.....	5
015-15-0610 -- CUSTOMS/Automation modernization.....	50
015-15-5688 -- CUSTOMS/Continued dumping and subsidy offset.....	16
015-15-5694 -- CUSTOMS/Customs services at small airports.....	1
015-55-1408 -- USSS/Salaries and expenses.....	86
015-55-1409 -- USSS/Acquisition, construction, improvements, and related expenses.....	4
Federal Emergency Management Agency	
361-00-0100 -- FEMA/Salaries and expenses.....	27
361-00-0101 -- FEMA/Emergency management planning and assistance.....	13
361-00-0104 -- FEMA/Disaster relief.....	8,240
361-00-0105 -- FEMA/Disaster assistance direct loan program account.....	7
361-00-4188 -- FEMA/Working capital fund.....	28
361-00-4234 -- FEMA/Disaster assistance direct loan financing account.....	5
361-00-4236 -- FEMA/National flood insurance fund.....	1,174
361-00-4243 -- FEMA/National flood mitigation fund.....	12
361-00-8244 -- FEMA/Bequests and gifts.....	2
Total, Unobligated Balances in Accounts Transferring in Whole to DHS.....	13,629

Unobligated Balances reported to Treasury as of September 30, 2002
(balances in millions of dollars)

	BAL
Accounts Transferring to DHS in Part -- Programmatic Accounts*	
Department of Agriculture	
005-18-1400 -- ARS/Salaries and expenses.....	35
005-18-1401 -- ARS/Buildings and facilities.....	289
005-32-1600 -- APHIS/Salaries and expenses.....	323
005-32-1601 -- APHIS/Buildings and facilities.....	22
Department of Commerce	
006-30-0300 -- EXPORTAD/Operations and administration.....	9
Department of Defense	
007-10-0100 -- O&M/Operation and maintenance, Defense-wide.....	419
007-10-0833 -- O&M/Emergency response fund.....	1,107
007-15-0300 -- PROCTURE/Procurement, Defense-wide.....	960
007-20-0400 -- RDT&E/Research, development, test, and evaluation, Defense-wide.....	2,142
007-25-0300 -- MILCOM/Military construction, Defense-wide.....	425
Department of Energy	
019-05-0309 -- NNSA/Defense nuclear nonproliferation.....	217
019-10-0242 -- ECDA/Defense environmental restoration and waste management.....	26
019-10-0243 -- ECDA/Other defense activities.....	28
019-20-0222 -- EPS/Science.....	9
Department of Health and Human Services	
009-90-9912 -- DM/General departmental management.....	291
Department of Justice	
011-10-0200 -- FBI/Salaries and expenses.....	507
011-21-0401 -- OJP/Justice assistance.....	251
Department of the Treasury	
015-05-0101 -- DEPT/Off/Salaries and expenses.....	4
015-05-0115 -- DEPT/Off/Department-wide systems and capital investments programs.....	27
General Services Administration	
023-05-4542 -- GSA/Federal buildings fund.....	3,237
023-30-0110 -- GENACT/Operating expenses.....	8
Total, Unobligated Balances in Programmatic Accounts Transferring in Part to DHS.....	10,336

* Balances shown are for the entire account. The share of unobligated balances associated with DHS programs will be less than the amount shown.